The Odisha Gazette

EXTRAORDINARY
PUBLISHED BY AUTHORITY

No.5466, CUTTACK, FRIDAY, NOVEMBER 28, 2025/ MARGASIRA 7, 1947

STEEL & MINES DEPARTMENT

NOTIFICATION

The 28th November, 2025

No.11149─SM-MC3-MISC-0027/2024/SM.─ In exercise of the powers conferred by sub-section (1) of Section 15 of the Mines and Minerals (Development and Regulation) Act, 1957 (Act 67 of 1957), the State Government do hereby make the following rules further to amend the Odisha Minor Mineral Concession Rules, 2016, namely:-

1. (1) These rules may be called the Odisha Minor Mineral Concession (Amendment) Rules, 2025.

(2) They shall come into force on the date of their publication in the *Odisha Gazette*.

2. In the Odisha Minor Mineral Concession Rules, 2016, (hereinafter referred to as the said rules), in sub-rule (1) of rule 2 ,—

(i) after clause (b), the following clause shall be inserted, namely :—

"(ba) ***"Additional Charge for Minor Minerals"*** means the amount payable by a selected applicant on unit quantity of minerals to be extracted in addition to other charges leviable under these rules as notified by the State Government from time to time;" .

(ii) after clause (j), the following clause shall be inserted, namely : —

"(ja) "***Family***" or "***Related Entity***" in relation to a bidder or applicant shall mean the spouse, son, unmarried daughter (including adopted children), widowed daughter, legally divorced daughter, unmarried step daughter, dependent parents, and dependent siblings of the bidder or applicant, or any firm or company in which the bidder or applicant or any of these family members hold a substantial interest for the purpose of ensuring full disclosure and preventing the use of proxies in the bidding or lottery process.".

3. In the said rules, after rule 3, the following rule shall be inserted, namely :—

"(3A) No person, directly or through any consortium or his or her family or related entity, shall be granted, or permitted to retain as successful applicant for more than three minor mineral sources in any district and five minor mineral sources in the State at a time :

Provided that no person and his or her family members shall participate in the lottery process for more than five minor mineral source in a district and ten minor mineral source in the State.".

4. In the said rules, in rule 4, in sub-rule (9), for the words *"to a person who is a defaulter in payment of Government dues under the Act and the rules made there under,"* appearing after words 'shall be granted', the words *"to a person who and his or her family members is a defaulter in paying mining dues payable under the rules made there under,"* shall be substituted.

5. In the said rules, for rule 27, the following rule shall be substituted, namely:—

"**27. Grant of quarry lease:—**(1) The area of the quarry lease shall be delineated and notification inviting application(s) for grant of quarry lease(s) through lottery including e-lottery shall be published in two daily newspapers, at least one of which shall be a State level and other having wide publicity in the area, where the lease is located and such notification shall be published at least fifteen days before the intended date of inviting applications and shall contain the date and time within which applications shall be received. The State Government shall prescribe the terms and conditions and procedure subject to which the e-lottery shall be conducted.

(2) The Competent Authority shall identify the minor mineral source to be notified for e-lottery and recommend to the Controlling Authority for approval in the i4MS portal by uploading the profile of the source along with specifying the minimum guaranteed quantity (MGQ) of the minor mineral to be extracted in a year by the applicant and the additional charge for minor minerals payable for the same as defined in sub-clause (ba) of clause (1) rule 2 of the rules and notified from time to time.

(3) The Controlling Authority, after due scrutiny and having satisfied with the proposal submitted by the Competent Authority, shall approve the minor mineral source identified by the competent authority to be put to e-lottery. The Controlling Authority, while examining the proposal, may modify the proposed Minimum Guaranteed Quantity (MGQ) indicating the reasons for the same. All

proposals so approved by the Controlling Authority shall be considered for notification after 10 (ten) days from the date of approval.

(4) The Director of Minor Minerals shall have to concur in at least 10% (ten percent) of the cases approved by the Controlling Authority within 10 (ten) days of the date of approval by the Controlling Authority and while doing so, may modify the proposed Minimum Guaranteed Quantity (MGQ) indicating the reasons for the same.

(5) The notice inviting applications for grant of quarry lease shall be uploaded in the e-lottery portal by the Competent Authority specifying

(i) the particulars of the area identified and demarcated using total station and differential global positioning system divided into forest land and other categories of land owned by the Government and private land;

(ii) the minimum guaranteed quantity of the minor mineral to be extracted in a year by the applicant;

(iii) the amount of additional charge for minor minerals payable for the same as defined under sub-clause (ba) of clause (1) rule 2;

(iv) the dateline for submission of both online and physical application;

(v) the date of opening of applications; and

(vi) the date of conducting the lottery.

(6) In case the mining plan or Environment Clearance for the proposed lease has been obtained by the Competent Authority, this fact, along with the cost of obtaining thereof shall be recoverable from the selected applicant which shall also be mentioned in the notice.

(7) Subject to other provisions of these rules for settlement of quarry lease, the intending applicant may submit the application for grant of quarry lease for such area or areas to the Competent Authority in the format of Form – M using the online electronic lottery platform adopted by the Government and uploading the following documents and particulars, stated hereunder: —

(i) Treasury challan showing deposit of ten thousand rupees (non-refundable) towards the application fee;

(ii) An affidavit stating that no mining due payable under the Act and the rules made thereunder, is outstanding against the applicant and his or her family members;

(iii) Proof of payment of earnest money equivalent to ten per centum of the amount of additional charges specified in the notice and the amount of royalty, both calculated on the basis of minimum guaranteed quantity for one whole year to be extracted in one full year; and

(iv) Income Tax Return of previous financial year showing annual income for amount not less than the amount of additional charge for minor minerals offered and the royalty payable for the minimum guaranteed quantity for one whole year or Bank guarantee valid for a period of eighteen months for the amount not less than the amount as above.

and also submitting the physical application in a sealed cover in Form-M accompanied by the above said documents and particulars within the timeline as specified in the notice inviting application as specified in sub-rule (5) of rule 27.

(8) No person shall be eligible to participate in the lottery process for grant of quarry lease, unless such person is an Indian national or company as defined in clause (20) of Section 2 of the Companies Act, 2013, (18 of 2013) or partnership firm as defined in Section 4 of the Indian Partnership Act, 1932;

Explanation: - For the purpose of this rule, a person shall be deemed to be an Indian national, -

(a) in the case of a partnership firm, only if all the partners of the partnership firm are citizens of India: and

(b) in the case of an individual, only if he is a citizen of India.

(9) The selection of successful applicant shall be conducted through e-lottery platform.

(10) The technical application received through online will be opened as per the schedule notified under sub-rule (5) of rule 27 in presence of the applicants.

(11) In case of a conflict between documents submitted electronically and document submitted physically, the documents submitted physically shall prevail. However, application submitted physically shall not be accepted in absence of the corresponding online submission.

(12) The technical applications shall be scrutinised by a Technical Committee constituted by the Government under the Chairmanship of respective Controlling Authority and only those applicants who are found to be eligible in

accordance with the terms and conditions of eligibility as prescribed under sub-rule (8) of the rule 27, shall be declared as “Technically Qualified Applicants” (TQA) and shall be allowed to participate in lottery.

(13) The selected applicant shall be intimated by the Competent Authority within seven days in Form-F about the selection and terms and conditions of the lease.

(14) Within fifteen days of such intimation, the selected applicant shall be required to convey his or her acceptance of the terms and conditions and to deposit an amount which shall be calculated in such a way that it shall be equivalent to one-fourth of the total amount of royalty and additional charge for minor minerals and the amount of contribution payable to the District Mineral Foundation and Environment Management Fund on the annual minimum guaranteed quantity, taken together, reduced by the amount of earnest money, which, along with the earnest money, shall be held as interest-free security deposit :

Provided that the selected applicant shall be allowed by the competent authority another fifteen days for deposit of above amount for the reasons of the delay cannot be ascribable to the selected applicant:

Provided further that in the event of failure to deposit the above amount within the time period or additional time period as provided above the selection of the applicant shall be annulled and the applicant shall be debarred from participating in lottery process for next five years within the State:

Provided also that in the event of such failure by the selected applicant, a fresh e-lottery shall be conducted among the remaining technically qualified applicants as determined under sub-rule (12). If the applicant selected in this second round through e-lottery also fails to deposit the above amount, the e-lottery shall be annulled and a fresh notification inviting applications for grant of quarry lease through e-lottery shall be published.

(15) The selected applicant shall also deposit the costs of obtaining the mining plan and environmental clearance approvals, in case those have been obtained by the Competent Authority (non-refundable) before executing the lease deed.

(16) Immediately after compliance of the foregoing provisions by the selected applicant, the earnest money of the unsuccessful applicant shall be

refunded and the bank guarantees, if any, furnished by them, shall stand discharged.

(17) The selected applicant shall be required to execute quarry lease in Form-N within three weeks from the date of intimation of his selection, if the approval of the mining plan and environment clearance has been obtained before lottery, and in other cases, the selected applicant shall obtain statutory clearance i.e. Mining Plan, Environment Clearance, Consent to Operate (CTO), Consent to Establish (CTE) within six months of receipt of intimation of his or her selection by the competent authority:

Provided that the time for obtaining statutory clearance shall be extended for another three months or as allowed by the State Government not exceeding six months for the reasons of delay beyond the control of the selected applicant:

Provided further that in the event of failure to execute the lease deed by the selected applicant within the stipulated time as mentioned above the quarry lease shall be put for fresh e-lottery.

(18) Before execution of lease deed, first installment of payment under sub-rule (3) of rule 32 of the said rules shall be deposited by the selected applicant in respective heads of account as notified by State Government.

(19) Security deposit shall be refunded after expiry of the lease period if the lessee has fulfilled all conditions of lease and in case of violation of any of the conditions of lease, the security deposit shall be forfeited in whole or in part by the Competent Authority.

(20) The Controlling authority as defined in Schedule-III, shall have power to cancel the lottery duly recording the reasons thereof, if he or she is not satisfied with the publicity, participation of applicant and amount of additional charge for minor minerals quoted.

(21) Where the selected applicant dies after deposit of the amount specified under sub-rule (14) or after execution of lease deed by him, such deposit or deed shall be deemed to have been made or executed by the legal heir if they so like."

6. In the said rules, after rule 27, the following rule shall be inserted, namely:—

"27A. Transitory Provision.— (1) Notwithstanding anything contained in these rules, any lessee who has obtained a quarry lease or permit under the earlier e-

auction regime may, within such period as may be notified by the Government, exercise an option either—

(a) to continue under the existing lease conditions till expiry of the lease period; or

(b) to opt for migration to the e-lottery regime introduced under these amended rules for the remaining period of the lease.

(2) In case a lessee opts for migration to the e-lottery regime, he shall execute a fresh agreement in such form as may be prescribed and shall be governed by all the terms and conditions applicable to leases granted under the amended rules, including , —

(i) the fixation of maximum sale price of minor minerals as may be notified by the Government from time to time as provided under rule 47A;

(ii) the limit on the number of quarries or leases that may be held by an individual or entity within a district and in the State as provided under rule 3A; and

(iii) observance of the right of pre-emption of the State Government over minor minerals, wherever applicable as provided under sub-rule (20) of rule 33.

(3) Upon execution of such fresh agreement, the previous lease conditions shall cease to have effect and the lease shall be governed by the amended rules.

(4) Any lessee who does not exercise the option within the stipulated period shall continue under the existing lease conditions till expiry or termination of the lease, as the case may be.

27B. Priority for quarry lease on private land.— If a minor mineral deposit is located on privately owned land, the owner(s) of that land shall have the first right of refusal to apply for and obtain the quarry lease for the mineral deposit within the boundaries of their land. The landowner shall exercise this right by submitting a valid application in the prescribed Form-M, with all required documents and fees of rupees ten thousand in accordance with these rules. The Competent Authority shall give due consideration to such application before initiating any other allotment process (e-lottery) for that mineral deposit. All royalties, fees, and other dues payable under these rules by a quarry leaseholder shall equally apply to the landowner when granted a lease under this rule. In addition, the landowner shall be liable to pay an additional charge

for minor minerals as defined in sub-clause (ba) of clause (1) rule 2 of the rules, payable along with the royalty and other dues as per the lease terms. **"** .

7. In the said rules, in rule 32, in sub-rule (3), for the word *"annual"* appearing after words *'advance, on',* the word *"quarterly"* shall be substituted.

8. In the said rules, in rule 33, for sub-rule (20), the following sub-rule shall be substituted, namely : —

"(20) The State Government shall at all times have the right of pre-emption over the minor mineral won from the land in respect of which the lease has been granted. The lessee shall, when directed by the State Government, sell to the Government, or to any Government agency executing public works, or to project holders undertaking beneficiary oriented projects, such quantity of the mineral, not more than forty percent (40%) of the annual production, at the notified price. The notified price shall be fixed and notified by the Government for each category of minor mineral. Failure to comply with such direction shall be deemed a breach of the lease conditions and shall be dealt with under rule 51."

9. In the said rules, in rule 35, for sub-rule (1), the following sub-rule shall be substituted, namely : —

"(1) The Competent Authority or any officer authorized by him may grant quarry permit in Form-R for extraction and removal from any specified land, any minor minerals for Government or Public purpose works, the quantity under one permit may cover the project's sanctioned requirement or an identified phase thereof; the permit shall remain valid up to two years or the project completion or phase closure, whichever is earlier, extendable to be co-terminus with the project beyond two years after prior approval of the State Government on payment of dues such as surface rent and royalty calculated at the rates specified in Schedule-I and Schedule-II, additional charge for minor minerals and compensatory afforestation fees, if applicable in the event of Forest Diversion, contribution to District Mineral Foundation and Environmental Management Fund, as prescribed, in advance."

10. In the said rules, in rule 42, the words *"and ten thousand for quarry lease, or"* appearing after words *'for mining lease'* and the words *"or quarry lease,"* appearing after words 'or mining lease,' shall be omitted.

11. In the said rules, after rule 47, the following rule shall be inserted, namely : —

" **47A. Cap on Sale Price of Minor Minerals at Quarry .** — (1) The sale price of any minor mineral at the quarry head shall not exceed the maximum price as determined and notified by the State Government from time to time.

(2) The Maximum Sale Price(MSP) shall be calculated based on the following, —

(a) the actual cost of production as assessed by the Government or its designated agency,

(b) all applicable government dues and levies, including royalty, additional Charge, DMF, EMF, surface rent, and other statutory payables, and

(c) a marginal profit not exceeding fifteen percent (15%) of the combined cost components specified in (a) and (b) or a such percentage as the Government may decide from time to time.

(3) Every holder of a quarry lease or permit shall strictly adhere to the capped sale price. Any violation of this rule shall attract penalties under rule-51 and may lead to suspension or cancellation of lease or permit.

(4) The Government may revise the sale price cap periodically based on changes in production cost, input costs, or statutory levies."

12. In the said rules, in rule 48 ,—

(i) for the words *"Code of Criminal Procedure, 1973"* appearing after words *'provisions of the',* the words *"Bharatiya Nyaya Sanhita, 2023"* shall be substituted; and

(ii) the following provisos shall be inserted, namely :—

"Provided that if any minor mineral is excavated in the course of executing any public or private construction work or any development project, the competent authority may, by order, grant a permit in favor of a Department of the Central or State Government, or any agency controlled by the Government to use such mineral for the public work upon payment of the applicable royalty, an additional charge for minor minerals as defined under sub-clause (ba) of clause (1) rule 2 of the rules, and contributions to the District Mineral Foundation and Environmental Management Fund :

Provided further that, where any minor mineral is extracted incidental to the execution of any construction or development work within private land or land leased by the Odisha Industrial Infrastructure Development Corporation (IDCO), the competent authority may, by order and subject to such conditions as may be prescribed, grant a permit in favour of the executing agency or entity for the utilization of such extracted minor minerals for the same projects, upon payment of the applicable royalty, the additional charge as specified under sub-clause (ba) of clause (1) rule 2, and the requisite contributions towards the District Mineral Foundation (DMF) and the Environmental Management Fund (EMF)."

13. In the said rules, in rule 51, —

(i) in sub-rule (1),

(a) in clause (i), for the words "five thousand" the words "ten thousand" shall be substituted;

(b) in clause (ii), after the words 'Junior Mining Officer or' and before the words 'Divisional Forest Officer', the word "*revenue officer not below the rank of Additional Tahasildar or"* shall be inserted.

(ii) after sub-rule (8), the following sub-rule shall be inserted, namely :—

"(9) The Competent Authority shall have the power to blacklist any person and their family or related entities for a period of up to five years for grave violations of these rules, repeated defaults, or failure to commence mining operations within the period stipulated in the lease. A person so blacklisted shall be ineligible to obtain any new quarry lease or permit during the blacklist period." .

14. In the said rules, for rule 54, the following rule shall be substituted, namely :—

"54. Search for mineral, document or thing:— If the Mining Officer or Deputy Director or Assistant Mining Officer or Director or Joint Director or Deputy Director (Head Qrs.) or Revenue officer not below the rank of Additional Tahasildar or police officer not below the rank of sub-inspector of Police or Divisional Forest Officer or Assistant Conservator of Forest or Range Officer has reasons to believe that any mineral has been won in contravention of the provisions of these rules or any document or thing in relation to such mineral is kept in any place or vehicle, he may search for such mineral, document or thing and the provisions of the Bharatiya Nyaya Sanhita, 2023 shall apply to every such search." .

15. In the said rules, after rule 58, the following rule shall be inserted, namely :—

" **58A. Storage licence** :— (1) No person shall stock, store, depot, or otherwise keep for sale or commercial use any minor mineral at any place other than the site of extraction, without obtaining a valid storage licence granted under these rules:

Provided that no such licence shall be required for stocking or storage of minor minerals by Government departments or agencies for public works or infrastructure development.

(2) The competent authority may, upon application made in the prescribed form and on payment of such fees as may be notified by the Government, grant a storage licence subject to such terms and conditions as may be specified in the licence.

(3) The State Government shall prescribe, by notification, the detailed procedure, terms and conditions, and eligibility criteria for the grant, renewal, suspension, and cancellation of storage licences under this rule."

16. In the said rules, for rule 61, the following rule shall be substituted, namely :—

"**61. Head of account for payment .—** All payments made under these rules shall be credited to the Head of Account as notified by State Government from time to time."

By Order of the Governor
SURENDRA KUMAR
Additional Chief Secretary to Government

Printed and Published by the Director, Printing, Stationery and Publication, Odisha, Cuttack-10
OGP/SBP Ex.Gaz.4676-183+1